

Calendar No. 371118TH CONGRESS
2^D SESSION**S. 1881**

To reauthorize and amend the Nicaraguan Investment Conditionality Act of 2018 and the Reinforcing Nicaragua’s Adherence to Conditions for Electoral Reform Act of 2021, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JUNE 8, 2023

Mr. RUBIO (for himself, Mr. KAINE, and Mr. CASSIDY) introduced the following bill; which was read twice and referred to the Committee on Foreign Relations

MAY 7, 2024

Reported by Mr. CARDIN, with an amendment

[Strike out all after the enacting clause and insert the part printed in *italic*]

A BILL

To reauthorize and amend the Nicaraguan Investment Conditionality Act of 2018 and the Reinforcing Nicaragua’s Adherence to Conditions for Electoral Reform Act of 2021, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

2 (a) **SHORT TITLE.**—This Act may be cited as the
 3 “Restoring Sovereignty and Human Rights in Nicaragua
 4 Act of 2023”.

5 (b) **TABLE OF CONTENTS.**—The table of contents of
 6 this Act is as follows:

Sec. 1. Short title; table of contents.

Sec. 2. Definitions.

Sec. 3. Findings.

Sec. 4. Sense of Congress.

**TITLE I—REAUTHORIZATION AND AMENDMENT OF THE NICA-
 RAGUAN INVESTMENT CONDITIONALITY ACT OF 2018 AND THE
 REINFORCING NICARAGUA’S ADHERENCE TO CONDITIONS FOR
 ELECTORAL REFORM ACT OF 2021**

Sec. 101. Extension of authorities of the Nicaraguan Investment Conditionality
 Act of 2018.

Sec. 102. Enhancing sanctions on sectors of the Nicaraguan economy that gen-
 erate revenue for the Ortega family.

Sec. 103. Imposition of sanctions with respect to the Ortega administration’s
 abuses against the Catholic Church, political prisoners, and
 support for the invasion of Ukraine.

Sec. 104. Coordinated diplomatic strategy to restrict investment and loans that
 benefit the Government of Nicaragua from the Central Amer-
 ican Bank for Economic Integration.

**TITLE II—ADDITIONAL ECONOMIC MEASURES TO HOLD THE
 GOVERNMENT OF NICARAGUA ACCOUNTABLE FOR HUMAN
 RIGHTS ABUSES**

Sec. 201. Statement of policy.

Sec. 202. Review of participation of Nicaragua in the Dominican Republic-Cen-
 tral America-United States free trade agreement.

Sec. 203. Prohibition on new United States investment in Nicaragua.

Sec. 204. Termination.

TITLE III—PROMOTING THE HUMAN RIGHTS OF NICARAGUANS

Sec. 301. Support for human rights and democracy programs.

Sec. 302. Support for Nicaraguan human rights at the United Nations.

7 **SEC. 2. DEFINITIONS.**

8 In this Act:

1 (1) APPROPRIATE CONGRESSIONAL COMMIT-
2 TEES.—The term “appropriate congressional com-
3 mittees” means—

4 (A) the Committee on Foreign Relations
5 and the Committee on Banking of the Senate;
6 and

7 (B) the Committee on Foreign Affairs and
8 the Committee on Financial Services of the
9 House of Representatives.

10 (2) UNITED STATES PERSON.—The term
11 “United States person” means—

12 (A) an individual who is a citizen or na-
13 tional of the United States or an alien lawfully
14 admitted for permanent residence in the United
15 States; and

16 (B) any corporation, partnership, or other
17 entity organized under the laws of the United
18 States or the laws of any jurisdiction within the
19 United States.

20 **SEC. 3. FINDINGS.**

21 Congress makes the following findings:

22 (1) The 2022 Annual Report of the United
23 States Commission on International Religious Free-
24 dom made the following recommendations to the
25 United States Government:

1 (A) Maintain Nicaragua on the special
2 watch list of the Department of State under
3 section 402(b)(1)(A)(iii) of the International
4 Religious Freedom Act of 1998 (22 U.S.C.
5 6442(b)(1)(A)(iii)) for engaging in or tolerating
6 serious violations of religious freedom.

7 (B) Impose targeted sanctions with respect
8 to agencies and officials of the Government of
9 Nicaragua responsible for violence and other
10 punitive actions against places of worship, reli-
11 gious leaders, and organizations by freezing the
12 assets of and barring the entry of certain per-
13 sons into the United States, citing specific vio-
14 lations of religious freedom.

15 (C) Collaborate with and encourage multi-
16 lateral organizations, such as the Organization
17 of American States—

18 (i) to monitor and investigate viola-
19 tions of religious freedom that occur in
20 Nicaragua;

21 (ii) to work to identify perpetrators of
22 religious freedom violations in Nicaragua;
23 and

1 (iii) to seek the repeal of problematic
2 laws such as the foreign agents law passed
3 in Nicaragua in 2020.

4 (2) The Catholic Church in Nicaragua suf-
5 fered—

6 (A) 127 attacks in 2022;

7 (B) 54 attacks in 2021;

8 (C) 58 attacks in 2020;

9 (D) 76 attacks in 2019; and

10 (E) 81 attacks in 2018.

11 (3) In a 2022 report by the Economist Intel-
12 ligence Unit, Nicaragua was listed as an authori-
13 tarian regime and one of the least democratic coun-
14 tries in the Western Hemisphere, along with Cuba
15 and Venezuela.

16 (4) According to the 2021 Country Reports on
17 Human Rights Practices published by the Depart-
18 ment of State, members of civil society and student
19 leaders involved in the April 2018 protests in Nica-
20 ragua were subjected to torture and inhuman or de-
21 grading treatment or punishment.

22 (5) According to human rights organizations,
23 the Ortega regime has 150 political prisoners, in-
24 cluding prisoners in solitary confinement.

1 (6) In 2022, the Ortega regime rejected a
2 United States envoy, declared the head of the Euro-
3 pean Union persona non grata, and closed the Vati-
4 can embassy in Managua.

5 (7) On February 9, 2023, the authoritarian Or-
6 tega regime—

7 (A) expelled 222 Nicaraguan nationals who
8 had been unjustly imprisoned for exercising
9 their fundamental rights; and

10 (B) stripped those nationals of Nicaraguan
11 citizenship.

12 (8) The invasion of Ukraine by President of the
13 Russian Federation Vladimir Putin poses a signifi-
14 cant threat to global peace and stability in the West-
15 ern Hemisphere.

16 (9) The authoritarian regime of President Dan-
17 iel Ortega in Nicaragua is providing diplomatic sup-
18 port to the Russian Federation and serving as an
19 amplifier and repeater of Russian propaganda on a
20 global scale.

21 (10) The actions of the Government of Nica-
22 ragua are impeding development of a global con-
23 sensus to reject and respond to crimes against hu-
24 manity conducted by President Putin.

1 (11) The Ortega regime has deepened the rela-
2 tionship between the Government of Nicaragua and
3 the Government of the Russian Federation and is
4 establishing diplomatic relations with the Govern-
5 ment of the People Republic of China.

6 **SEC. 4. SENSE OF CONGRESS.**

7 It is the sense of Congress that—

8 (1) the Secretary of State, working through the
9 head of the Office of Sanctions Coordination, and in
10 consultation with the Secretary of the Treasury,
11 should engage in diplomatic efforts with partners of
12 the United States, including the Government of Can-
13 ada, governments of countries in the European
14 Union, and governments of countries in Latin Amer-
15 ica and the Caribbean, to impose targeted sanctions
16 with respect to the persons subject to sanctions au-
17 thorized by the Nicaraguan Investment Condition-
18 ality Act of 2018 and the Reinforcing Nicaragua’s
19 Adherence to Conditions for Electoral Reform Act of
20 2021 in order to hold the authoritarian regime of
21 President Daniel Ortega accountable for crimes
22 against the Catholic Church, the clergy, and the peo-
23 ple of Nicaragua;

24 (2) the United States Government should con-
25 tinue—

1 (A) to raise concerns about human rights
2 and democracy in Nicaragua; and call attention
3 to religious and opposition leaders and civil so-
4 ciety; media; and faith-based organizations si-
5 lenced by the Ortega regime; and

6 (B) to enforce Executive Order 13851 (50
7 U.S.C. 1701 note; relating to blocking property
8 of certain persons contributing to the situation
9 in Nicaragua); and expand existing sanctions to
10 other sectors of the economy of Nicaragua; such
11 as the meat sector; and

12 (3) the international community; including the
13 Holy See; the International Red Cross; and the
14 United Nations should coordinate efforts—

15 (A) to improve the conditions of all polit-
16 ical prisoners in Nicaragua;

17 (B) to document all gross violations of
18 internationally recognized human rights in
19 Nicaragua; and

20 (C) to call for the end of political persecu-
21 tion against members of religious organizations;
22 including the Catholic Church.

1 **TITLE I—REAUTHORIZATION**
 2 **AND AMENDMENT OF THE**
 3 **NICARAGUAN INVESTMENT**
 4 **CONDITIONALITY ACT OF 2018**
 5 **AND THE REINFORCING**
 6 **NICARAGUA’S ADHERENCE TO**
 7 **CONDITIONS FOR ELEC-**
 8 **TORAL REFORM ACT OF 2021**

9 **SEC. 101. EXTENSION OF AUTHORITIES OF THE NICA-**
 10 **RAGUAN INVESTMENT CONDITIONALITY ACT**
 11 **OF 2018.**

12 Section 10 of the Nicaraguan Investment Condition-
 13 ality Act of 2018 (Public Law 115–335; 50 U.S.C. 1701
 14 note) is amended by striking “2023” and inserting
 15 “2028”.

16 **SEC. 102. ENHANCING SANCTIONS ON SECTORS OF THE**
 17 **NICARAGUAN ECONOMY THAT GENERATE**
 18 **REVENUE FOR THE ORTEGA FAMILY.**

19 Section 5(a) of the Nicaraguan Investment Condi-
 20 tionality Act of 2018 (Public Law 115–335; 50 U.S.C.
 21 1701 note) is amended—

22 (1) in paragraph (3)(B), by striking “or”;

23 (2) in paragraph (4), by striking the period at
 24 the end and inserting “; or”; and

25 (3) by adding at the end the following:

1 ~~“(5) to operate or have operated in the gold,~~
 2 ~~eattle, or coffee sectors of the Nicaraguan economy~~
 3 ~~or in any other sector of the Nicaraguan economy~~
 4 ~~identified by the Secretary of the Treasury, in con-~~
 5 ~~sultation with the Secretary of State, for purposes of~~
 6 ~~this paragraph.”.~~

7 **SEC. 103. IMPOSITION OF SANCTIONS WITH RESPECT TO**
 8 **THE ORTEGA ADMINISTRATION’S ABUSES**
 9 **AGAINST THE CATHOLIC CHURCH, POLITICAL**
 10 **PRISONERS, AND SUPPORT FOR THE INVA-**
 11 **SION OF UKRAINE.**

12 ~~(a) EXPANSION OF ACTIVITIES TRIGGERING TAR-~~
 13 ~~GETED SANCTIONS.—Section 5(b) of the Nicaraguan In-~~
 14 ~~vestment Conditionality Act of 2018 (Public Law 115–~~
 15 ~~335; 50 U.S.C. 1701 note) is amended by adding at the~~
 16 ~~end the following:~~

17 ~~“(5) The arrest or prosecution of a person, in-~~
 18 ~~cluding a person who is a member of or an officer~~
 19 ~~of the Catholic Church, because of the legitimate ex-~~
 20 ~~ercise by such person of the freedom of religion.~~

21 ~~“(6) The conviction and sentencing of a person~~
 22 ~~who is a member of an opposition party or inde-~~
 23 ~~pendent civil society organization under politically~~
 24 ~~motivated charges.~~

1 “~~(7)~~ Gross violations of the internationally rec-
2 ognized human rights of prisoners.

3 “~~(8)~~ Acts of providing significant goods, serv-
4 ices, or technology to or expressing support for the
5 invasion of Ukraine by the Russian Federation that
6 began on February 24, 2022.”.

7 (b) ~~MODIFICATION OF TARGETED SANCTIONS~~
8 PRIORITYIZATION.—Section 5(b)(2)(B) of the Reinforcing
9 Nicaragua’s Adherence to Conditions for Electoral Reform
10 Act of 2021 (Public Law 117–54; 50 U.S.C. 1701 note)
11 is amended—

12 (1) by redesignating clauses (viii) and (ix) as
13 clauses (ix) and (x), respectively; and

14 (2) by inserting after clause (vii) the following
15 new clause (viii):

16 “~~(viii)~~ Officials of the Instituto de
17 Previsión Social Militar (IPSM), commonly
18 known as the Military Institute of Social
19 Security of Nicaragua.”.

1 **SEC. 104. COORDINATED DIPLOMATIC STRATEGY TO RE-**
 2 **STRICT INVESTMENT AND LOANS THAT BEN-**
 3 **EFIT THE GOVERNMENT OF NICARAGUA**
 4 **FROM THE CENTRAL AMERICAN BANK FOR**
 5 **ECONOMIC INTEGRATION.**

6 Section 4 of the Nicaragua Investment Conditionality
 7 Act of 2018 (Public Law 115–335; 50 U.S.C. 1701 note)
 8 is amended—

9 (1) by redesignating subsection (f) as sub-
 10 section (g);

11 (2) by inserting after subsection (e) the fol-
 12 lowing new subsection (f):

13 “(f) **DIPLOMATIC STRATEGY TO RESTRICT INVEST-**
 14 **MENT IN NICARAGUA AT THE CENTRAL AMERICAN BANK**
 15 **FOR ECONOMIC INTEGRATION.**—The Secretary of State,
 16 in consultation with the Secretary of the Treasury, shall
 17 engage in diplomatic efforts with governments of countries
 18 that are partners of the United States and members of
 19 the Central American Bank for Economic Integration (re-
 20 ferred to in this section as ‘CABEI’), including the govern-
 21 ments of Mexico, Taiwan, Argentina, Colombia, Spain,
 22 and the Republic of Korea—

23 “(1) to oppose the extension by CABEI of any
 24 loan or financial or technical assistance to the Gov-
 25 ernment of Nicaragua for any project in Nicaragua;

1 “(2) to increase the scrutiny of any loan or fi-
 2 nancial or technical assistance provided by CABEI
 3 to any project in Nicaragua; and

4 “(3) to ensure that any loan or financial or
 5 technical assistance provided by CABEI to a project
 6 in Nicaragua is administered through an entity with
 7 full technical, administrative, and financial inde-
 8 pendence from the Government of Nicaragua.”; and

9 (3) in subsection (g), as so redesignated—

10 (A) in paragraph (4), by striking “; and”

11 and inserting a semicolon;

12 (B) by redesignating paragraph (5) as

13 paragraph (6); and

14 (C) by inserting after paragraph (4) the

15 following new paragraph (5):

16 “(5) a description of the results of the diplo-

17 matic strategy mandated by subsection (f); and”.

18 **TITLE II—ADDITIONAL ECO-**
 19 **NOMIC MEASURES TO HOLD**
 20 **THE GOVERNMENT OF NICA-**
 21 **RAGUA ACCOUNTABLE FOR**
 22 **HUMAN RIGHTS ABUSES**

23 **SEC. 201. STATEMENT OF POLICY.**

24 It is the policy of the United States to seek a resolu-
 25 tion to the political crisis in Nicaragua that includes—

1 (1) a commitment by the Government of Nica-
 2 ragua to hold free and fair elections that meet demo-
 3 cratic standards and permit credible international
 4 electoral observation to replace the Ortega adminis-
 5 tration;

6 (2) the cessation of the violence perpetrated
 7 against civilians by the National Police of Nicaragua
 8 and by armed groups supported by the Government
 9 of Nicaragua; and

10 (3) independent investigations into the killings
 11 of protesters in Nicaragua.

12 **SEC. 202. REVIEW OF PARTICIPATION OF NICARAGUA IN**
 13 **THE DOMINICAN REPUBLIC-CENTRAL AMER-**
 14 **ICA-UNITED STATES FREE TRADE AGREE-**
 15 **MENT.**

16 (a) REPORT REQUIRED.—

17 (1) IN GENERAL.—Not later than 1 year after
 18 the date of the enactment of this Act, and annually
 19 thereafter, the Secretary of State, in consultation
 20 with the United States Trade Representative, shall
 21 submit to the appropriate congressional committees
 22 a report on the participation of Nicaragua in
 23 CAFTA—DR, which includes—

24 (A) an assessment of the benefits that the
 25 Ortega regime receives from the participation of

1 Nicaragua in CAFTA-DR, including profits
2 earned by Nicaraguan State-owned entities;

3 (B) a description of the violations of com-
4 mitments made by Nicaragua under CAFTA-
5 DR; and

6 (C) an assessment of whether Nicaragua
7 qualifies as a nonmarket economy for the pur-
8 poses of the Trade Act of 1974 (19 U.S.C.
9 2101 et seq.).

10 (2) FORM.—The report required by paragraph
11 (1) shall be submitted in unclassified form, but may
12 include a classified annex.

13 (b) CAFTA-DR DEFINED.—In this section, the term
14 “CAFTA-DR” means the Dominican Republic-Central
15 America-United States Free Trade Agreement—

16 (1) entered into on August 5, 2004, with the
17 Governments of Costa Rica, the Dominican Repub-
18 lic, El Salvador, Guatemala, Honduras, and Nica-
19 ragua, and submitted to Congress on June 23, 2005;
20 and

21 (2) approved by Congress under section
22 101(a)(1) of the Dominican Republic-Central Amer-
23 ican-United States Free Trade Agreement Imple-
24 mentation Act (19 U.S.C. 4011(a)(1)).

1 **SEC. 203. PROHIBITION ON NEW UNITED STATES INVEST-**
2 **MENT IN NICARAGUA.**

3 (a) **PROHIBITION.**—After the date of the enactment
4 of this Act, a United States person, wherever located, may
5 not make any investment in any sector of the economy
6 of Nicaragua.

7 (b) **IMPLEMENTATION.**—The President may exercise
8 all authorities provided to the President under sections
9 203 and 205 of the International Emergency Economic
10 Powers Act (50 U.S.C. 1702 and 1704) to carry out this
11 section.

12 (c) **PENALTIES.**—A person that violates, attempts to
13 violate, conspires to violate, or causes a violation of this
14 section or any regulation, license, or order issued to carry
15 out this section shall be subject to the penalties set forth
16 in subsections (b) and (e) of section 206 of the Inter-
17 national Emergency Economic Powers Act (50 U.S.C.
18 1705) to the same extent as a person that commits an
19 unlawful act described in subsection (a) of that section.

20 (d) **EXCEPTIONS.**—

21 (1) **EXCEPTION FOR INTELLIGENCE ACTIVI-**
22 **TIES.**—This section shall not apply with respect to
23 activities subject to the reporting requirements
24 under title V of the National Security Act of 1947
25 (50 U.S.C. 3091 et seq.) or any authorized intel-
26 ligence activities of the United States.

1 (2) HUMANITARIAN EXCEPTION.—The prohibi-
2 tion under subsection (a) does not apply with respect
3 to any person for conducting or facilitating a trans-
4 action for the sale of agricultural commodities, food,
5 medicine, or medical devices to Nicaragua, or for the
6 provision of humanitarian assistance to the people of
7 Nicaragua.

8 (e) NATIONAL SECURITY WAIVER.—The President
9 may waive the application of the prohibition under sub-
10 section (a) with respect to a person if the President—

11 (1) determines that such a waiver is in the na-
12 tional security interests of the United States; and

13 (2) submits to the appropriate congressional
14 committees a notification of the waiver and the rea-
15 sons for the waiver.

16 **SEC. 204. TERMINATION.**

17 The provisions of this title shall cease to have effect
18 upon certification by the President to the appropriate con-
19 gressional committees that a resolution to the political cri-
20 sis in Nicaragua as described in section 201 has been
21 reached.

1 **TITLE III—PROMOTING THE**
2 **HUMAN RIGHTS OF NICA-**
3 **RAGUANS**

4 **SEC. 301. SUPPORT FOR HUMAN RIGHTS AND DEMOCRACY**
5 **PROGRAMS.**

6 (a) GRANTS.—

7 (1) IN GENERAL.—The President may provide
8 grants to private, nonprofit organizations to support
9 programs that promote human rights, democracy,
10 and the rule of law in Nicaragua, including pro-
11 grams that document human rights abuses com-
12 mitted by the Ortega regime since April 2018.

13 (2) ADMINISTRATION OF PROGRAMS.—Any pro-
14 gram that receives a grant under paragraph (1)
15 shall be administered in consultation with members
16 of the Nicaraguan opposition, including individuals
17 in exile in Costa Rica and the United States.

18 (3) FUNDING LIMITATION.—Any entity owned,
19 controlled, or otherwise affiliated with the Ortega re-
20 gime is not eligible to receive a grant under this sec-
21 tion.

22 (b) REPORT.—Not later than 1 year after the date
23 of the enactment of this Act, and annually thereafter
24 through fiscal year 2028, the Secretary of State, in con-
25 sultation with the heads of other appropriate Federal

1 agencies, shall submit to the appropriate congressional
2 committees a report on actions taken pursuant to this sec-
3 tion.

4 **SEC. 302. SUPPORT FOR NICARAGUAN HUMAN RIGHTS AT**
5 **THE UNITED NATIONS.**

6 (a) ~~SUPPORT TO EXTEND MANDATE OF THE GROUP~~
7 ~~OF HUMAN RIGHTS EXPERTS ON NICARAGUA.~~—The
8 President shall direct the United States Permanent Rep-
9 resentative to the United Nations to use the voice, vote,
10 and influence of the United States in the United Nations
11 Human Rights Council and the United Nations General
12 Assembly—

13 (1) to seek to extend the mandate of the Group
14 of Human Rights Experts on Nicaragua under
15 Human Rights Council Resolution 49/3 (2022) until
16 a peaceful solution to the current political crisis in
17 Nicaragua is reached, including—

18 (A) a commitment to hold elections that
19 meet democratic standards and permit credible
20 international electoral observation;

21 (B) the cessation of the violence per-
22 petrated against civilians by the National Police
23 of Nicaragua and by armed groups supported
24 by the Government of Nicaragua; and

1 (C) independent investigations into the
2 killings of protesters;

3 (2) to encourage international support to em-
4 power the Group of Human Rights Experts on Nica-
5 ragua to fulfil its mission to conduct thorough and
6 independent investigations into all alleged human
7 rights violations and abuses committed in Nicaragua
8 since April 2018; and

9 (3) to provide investigative and technical assist-
10 ance to the Group of Human Rights Experts on
11 Nicaragua as requested and as permitted under
12 United Nations rules and regulations and United
13 States law.

14 (b) SUPPORT FOR FURTHER ACTION.—The Presi-
15 dent may direct the United States Permanent Representa-
16 tive to the United Nations to use the voice, vote, and influ-
17 ence of the United States to urge the United Nations to
18 provide greater action with respect to human rights viola-
19 tions in Nicaragua by—

20 (1) urging the United Nations General Assem-
21 bly to consider a resolution, consistent with prior
22 United Nations resolutions, condemning the exile of
23 political prisoners and attacks on religious freedom
24 by the Ortega regime; and

1 (2) assisting efforts by the relevant United Na-
 2 tions Special Envoys and Special Rapporteurs to
 3 promote respect for human rights and encourage
 4 dialogue towards a peaceful and democratic transfer
 5 of power in Nicaragua.

6 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

7 (a) *SHORT TITLE.*—This Act may be cited as the “Re-
 8 storing Sovereignty and Human Rights in Nicaragua Act
 9 of 2024”.

10 (b) *TABLE OF CONTENTS.*—The table of contents of this
 11 *Act is as follows:*

Sec. 1. Short title; table of contents.

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 benefit the Government of Nicaragua from the Central American
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Sec. 301. Support for human rights and democracy programs.

Sec. 302. Support for Nicaraguan human rights at the United Nations.

1 **SEC. 2. DEFINITIONS.**

2 *In this Act:*

3 (1) *APPROPRIATE CONGRESSIONAL COMMIT-*
4 *TEES.—The term “appropriate congressional commit-*
5 *tees” means—*

6 (A) *the Committee on Foreign Relations*
7 *and the Committee on Banking of the Senate;*
8 *and*

9 (B) *the Committee on Foreign Affairs and*
10 *the Committee on Financial Services of the*
11 *House of Representatives.*

12 (2) *HUMAN RIGHTS.—The term “human rights”*
13 *means internationally recognized human rights.*

14 (3) *UNITED STATES PERSON.—The term “United*
15 *States person” means—*

16 (A) *an individual who is a citizen or na-*
17 *tional of the United States or an alien lawfully*
18 *admitted for permanent residence in the United*
19 *States; and*

20 (B) *any corporation, partnership, or other*
21 *entity organized under the laws of the United*
22 *States or the laws of any jurisdiction within the*
23 *United States.*

24 **SEC. 3. SENSE OF CONGRESS.**

25 *It is the sense of Congress that—*

1 (1) *the Secretary of State, working through the*
2 *head of the Office of Sanctions Coordination, and in*
3 *consultation with the Secretary of the Treasury,*
4 *should engage in diplomatic efforts with partners of*
5 *the United States, including the Government of Can-*
6 *ada, governments of countries in the European*
7 *Union, and governments of countries in Latin Amer-*
8 *ica and the Caribbean, to impose targeted sanctions*
9 *with respect to the persons subject to sanctions au-*
10 *thorized by the Nicaraguan Investment Condition-*
11 *ality Act of 2018 (50 U.S.C. 1701 note; Public Law*
12 *115–335) and the Reinforcing Nicaragua’s Adherence*
13 *To Conditions For Electoral Reform Act Of 2021*
14 *(Public Law 117–54), in order to hold the authori-*
15 *tarian regime of President Daniel Ortega accountable*
16 *for crimes and human rights abuses perpetrated*
17 *against the people of Nicaragua and democratic polit-*
18 *ical actors, civil society organizations, religious insti-*
19 *tutions, media, and academic institutions in Nica-*
20 *ragua;*

21 (2) *the United States Government should con-*
22 *tinue—*

23 (A) *to raise concerns about human rights*
24 *and democracy in Nicaragua and call attention*
25 *to the efforts by the Ortega regime to silence the*

1 *people of Nicaragua and democratic political ac-*
2 *tors, civil society organizations, religious institu-*
3 *tions, media, and academic institutions in Nica-*
4 *ragua; and*

5 *(B) to enforce Executive Order 13851 (50*
6 *U.S.C. 1702 note; relating to blocking of certain*
7 *persons contributing to the situation in Nica-*
8 *ragua); and*

9 *(3) the international community, including the*
10 *Holy See, the International Committee of the Red*
11 *Cross, and the United Nations should coordinate ef-*
12 *forts—*

13 *(A) to improve the detention conditions of*
14 *all political prisoners in Nicaragua; and*

15 *(B) to call for the end of political persecu-*
16 *tion of the people of Nicaragua and democratic*
17 *political actors, civil society organizations, reli-*
18 *gious institutions, media, and academic institu-*
19 *tions in Nicaragua.*

1 **TITLE I—REAUTHORIZATION**
 2 **AND AMENDMENT OF THE**
 3 **NICARAGUAN INVESTMENT**
 4 **CONDITIONALITY ACT OF 2018**
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 6 **NICARAGUA’S ADHERENCE TO**
 7 **CONDITIONS FOR ELECTORAL**
 8 **REFORM ACT OF 2021**

9 **SEC. 101. EXTENSION OF AUTHORITIES OF THE NICA-**
 10 **RAGUAN INVESTMENT CONDITIONALITY ACT**
 11 **OF 2018.**

12 *Section 10 of the Nicaraguan Investment Condition-*
 13 *ality Act of 2018 (50 U.S.C. 1701 note; Public Law 115-*
 14 *335) is amended by striking “2023” and inserting “2030”.*

15 **SEC. 102. ENHANCING SANCTIONS ON SECTORS OF THE**
 16 **NICARAGUAN ECONOMY THAT GENERATE**
 17 **REVENUE FOR THE ORTEGA FAMILY.**

18 *Section 5(a) of the Nicaraguan Investment Condition-*
 19 *ality Act of 2018 (50 U.S.C. 1701 note; Public Law 115-*
 20 *335) is amended—*

21 *(1) in paragraph (2), by redesignating subpara-*
 22 *graphs (A) and (B) as clauses (i) and (ii), respec-*
 23 *tively, and moving such clauses 2 ems to the right;*

1 (2) in paragraph (3), by redesignating subparagraphs (A) and (B) as clauses (i) and (ii), respectively, and moving such clauses 2 ems to the right;

2 (3) by redesignating paragraphs (1) through (4) as subparagraphs (A) through (D), respectively, and moving such subparagraphs 2 ems to the right;

3 (4) by amending the matter preceding subparagraph (A), as so redesignated, to read as follows:

4 “(a) *IN GENERAL.*—*The President—*

5 “(1) shall impose the sanctions described in subsection (c) with respect to any foreign person, including any current or former official of the Government of Nicaragua or any person acting on behalf of that Government, that the President determines—”;

6 (5) in paragraph (1)(D), as so redesignated, by striking the period at the end and inserting “; and”;

7 and

8 (6) by adding at the end the following new paragraph:

9 “(2) may impose the sanctions described in subsection (c) with respect to any foreign person that the President determines to operate or have operated in the gold sectors of the Nicaraguan economy or in any other sector of the Nicaraguan economy identified by the Secretary of State, in consultation with the Sec-

1 retary of the Treasury, for the purposes of this para-
2 graph.”.

3 **SEC. 103. EXPANSION OF TARGETED SANCTIONS WITH RE-**
4 **SPECT TO THE ORTEGA REGIME.**

5 (a) *EXPANSION OF ACTIVITIES TRIGGERING TAR-*
6 *GETED SANCTIONS.*—Section 5(b) of the Nicaraguan Invest-
7 ment Conditionality Act of 2018 (50 U.S.C. 1701 note;
8 Public Law 115–335) is amended—

9 (1) in paragraph (1), by striking “against per-
10 sons associated with the protests in Nicaragua that
11 began on April 18, 2018”; and

12 (2) by adding at the end the following:

13 “(5) The arrest or prosecution of a person, in-
14 cluding a person who is a member of or an officer of
15 the Catholic Church, because of the legitimate exercise
16 by such person of the freedom of religion.

17 “(6) The conviction and sentencing of a person
18 who is a democratic political actor or a member of
19 an independent civil society organization for politi-
20 cally motivated charges.

21 “(7) The provision of significant goods, services,
22 or technology to support the invasion of Ukraine by
23 the Russian Federation that began on February 24,
24 2022.”.

1 (b) *MODIFICATION OF TARGETED SANCTIONS*
2 *PRIORITIZATION.*—Section 5(b)(2)(B) of the Reinforcing
3 *Nicaragua’s Adherence to Conditions for Electoral Reform*
4 *Act of 2021 (50 U.S.C. 1701 note; Public Law 117–54)* is
5 amended by inserting after clause (ix) the following:

6 “(x) *Officials of the Instituto de Pre-*
7 *vision Social Militar (IPSM), commonly*
8 *known as the Military Institute of Social*
9 *Security of Nicaragua.*”.

10 (c) *REPORTING REQUIREMENT.*—Not later than 90
11 *days after the enactment of this Act, and annually there-*
12 *after for a period of 3 years, the Secretary of State, in con-*
13 *sultation with the Secretary of the Treasury, shall submit*
14 *to the Committee on Foreign Relations of the Senate and*
15 *the Committee on Foreign Affairs of the House of Represent-*
16 *atives a report on the implementation of section 5 of the*
17 *Reinforcing Nicaragua’s Adherence to the Conditions for*
18 *Electoral Reform Act of 2021 (50 U.S.C. 1701 note; Public*
19 *Law 117–54), which shall include—*

20 (1) *an update on the status of efforts to imple-*
21 *ment a coordinated strategy on the use of targeted*
22 *sanctions under section 5(a)(1) of such Act;*

23 (2) *a detailed description of concrete steps that*
24 *have been taken under section 5(b)(1) of such Act to*
25 *prioritize the implementation of the targeted sanc-*

1 *tions required under section 5 of the Nicaragua In-*
 2 *vestment Conditionality Act of 2018 (50 U.S.C. 1701*
 3 *note; Public Law 115–335); and*

4 *(3) a detailed description of the results of the re-*
 5 *view of sanctionable targets required under section*
 6 *5(b)(2) of the Reinforcing Nicaragua’s Adherence to*
 7 *the Conditions for Electoral Reform Act of 2021 (50*
 8 *U.S.C. 1701 note; Public Law 117–54).*

9 **SEC. 104. COORDINATED DIPLOMATIC STRATEGY TO RE-**
 10 **STRICT INVESTMENT AND LOANS THAT BEN-**
 11 **EFIT THE GOVERNMENT OF NICARAGUA**
 12 **FROM THE CENTRAL AMERICAN BANK FOR**
 13 **ECONOMIC INTEGRATION.**

14 *Section 4 of the Nicaragua Investment Conditionality*
 15 *Act of 2018 (Public Law 115–335; 50 U.S.C. 1701 note)*
 16 *is amended—*

17 *(1) in subsection (c), by inserting “and para-*
 18 *graphs (1), (2), and (3) of subsection (f)” after “sub-*
 19 *section (b)”;*

20 *(2) by redesignating subsection (f) as subsection*
 21 *(g);*

22 *(3) by inserting after subsection (e) the following*
 23 *new subsection (f):*

24 *“(f) DIPLOMATIC STRATEGY TO RESTRICT INVEST-*
 25 *MENT IN NICARAGUA AT THE CENTRAL AMERICAN BANK*

1 *FOR ECONOMIC INTEGRATION.*—*The Secretary of State, in*
 2 *consultation with the Secretary of the Treasury, shall en-*
 3 *gage in diplomatic efforts with governments of countries*
 4 *that are partners of the United States and members of the*
 5 *Central American Bank for Economic Integration (referred*
 6 *to in this section as ‘CABEI’)—*

7 “(1) *to oppose the extension by CABEI of any*
 8 *loan or financial or technical assistance to the Gov-*
 9 *ernment of Nicaragua for any project in Nicaragua;*

10 “(2) *to increase the scrutiny of any loan or fi-*
 11 *nancial or technical assistance provided by CABEI to*
 12 *any project in Nicaragua; and*

13 “(3) *to ensure that any loan or financial or tech-*
 14 *nical assistance provided by CABEI to a project in*
 15 *Nicaragua is administered through an entity with*
 16 *full technical, administrative, and financial inde-*
 17 *pendence from the Government of Nicaragua.”; and*

18 (4) *in subsection (g), as so redesignated—*

19 (A) *in paragraph (4), by striking “; and”*
 20 *and inserting a semicolon;*

21 (B) *by redesignating paragraph (5) as*
 22 *paragraph (6); and*

23 (C) *by inserting after paragraph (4) the fol-*
 24 *lowing new paragraph (5):*

1 “(5) a description of the results of the diplomatic
2 strategy mandated by subsection (f); and”.

3 **TITLE II—ADDITIONAL ECO-**
4 **NOMIC MEASURES TO HOLD**
5 **THE GOVERNMENT OF NICA-**
6 **RAGUA ACCOUNTABLE FOR**
7 **HUMAN RIGHTS ABUSES**

8 **SEC. 201. STATEMENT OF POLICY.**

9 *It is the policy of the United States—*

10 (1) *to seek a resolution to the political crisis in*
11 *Nicaragua that includes—*

12 (A) *a commitment by the Government of*
13 *Nicaragua to hold competitive, free, and fair*
14 *elections that meet democratic standards and*
15 *permit credible international electoral observa-*
16 *tion;*

17 (B) *the cessation of the violence perpetrated*
18 *against civilians by the National Police of Nica-*
19 *ragua and by armed groups supported by the*
20 *Government of Nicaragua; and*

21 (C) *independent investigations into the*
22 *killings of protesters in Nicaragua; and*

23 (2) *to support diplomatic engagement in order to*
24 *advance a negotiated and peaceful solution to the po-*
25 *litical crisis in Nicaragua.*

1 **SEC. 202. REVIEW OF PARTICIPATION OF NICARAGUA IN**
2 **THE DOMINICAN REPUBLIC-CENTRAL AMER-**
3 **ICA-UNITED STATES FREE TRADE AGREE-**
4 **MENT.**

5 *(a) REPORT REQUIRED.—*

6 *(1) IN GENERAL.—Not later than 1 year after*
7 *the date of the enactment of this Act, and annually*
8 *thereafter, the Secretary of State, in consultation with*
9 *the United States Trade Representative, shall submit*
10 *to the appropriate congressional committees a report*
11 *on the participation of Nicaragua in CAFTA-DR,*
12 *which includes—*

13 *(A) an assessment of the benefits that the*
14 *Ortega regime receives from the participation of*
15 *Nicaragua in CAFTA-DR, including profits*
16 *earned by Nicaraguan state-owned entities;*

17 *(B) a description of the violations of com-*
18 *mitments made by Nicaragua under CAFTA-*
19 *DR; and*

20 *(C) an assessment of whether Nicaragua*
21 *qualifies as a nonmarket economy for the pur-*
22 *poses of the Trade Act of 1974 (19 U.S.C. 2101*
23 *et seq.).*

24 *(2) FORM.—The report required by paragraph*
25 *(1) shall be submitted in unclassified form, but may*
26 *include a classified annex.*

1 (b) *CAFTA-DR DEFINED.*—*In this section, the term*
2 *“CAFTA-DR” means the Dominican Republic-Central*
3 *America-United States Free Trade Agreement—*

4 (1) *entered into on August 5, 2004, with the*
5 *Governments of Costa Rica, the Dominican Republic,*
6 *El Salvador, Guatemala, Honduras, and Nicaragua,*
7 *and submitted to Congress on June 23, 2005; and*

8 (2) *approved by Congress under section*
9 *101(a)(1) of the Dominican Republic-Central Amer-*
10 *ican-United States Free Trade Agreement Implemen-*
11 *tation Act (19 U.S.C. 4011(a)(1)).*

12 **SEC. 203. TERMINATION.**

13 *The provisions of this title, and any sanctions issued*
14 *in accordance with the authorities of the Nicaragua Invest-*
15 *ment Conditionality Act of 2018 (Public Law 115–335; 50*
16 *U.S.C. 1701 note) or the Reinforcing Nicaragua’s Adherence*
17 *to the Conditions for Electoral Reform Act of 2021 (Public*
18 *Law 117–54), shall cease to have effect upon certification*
19 *by the President to the appropriate congressional commit-*
20 *tees that a resolution to the political crisis in Nicaragua*
21 *as described in section 201 has been reached.*

1 **TITLE III—PROMOTING THE**
2 **HUMAN RIGHTS OF NICA-**
3 **RAGUANS**

4 **SEC. 301. SUPPORT FOR HUMAN RIGHTS AND DEMOCRACY**
5 **PROGRAMS.**

6 (a) *GRANTS.*—

7 (1) *IN GENERAL.*—*The Secretary of State and*
8 *Administrator of the United States Agency for Inter-*
9 *national Development may provide grants to private,*
10 *nonprofit organizations to support programs that*
11 *promote human rights, democracy, and the rule of*
12 *law in Nicaragua, including programs that document*
13 *human rights abuses committed by the Ortega regime*
14 *since April 2018.*

15 (2) *FUNDING LIMITATION.*—*Any entity owned,*
16 *controlled, or otherwise affiliated with the Ortega re-*
17 *gime is not eligible to receive a grant under this sec-*
18 *tion.*

19 (b) *REPORT.*—*Not later than 1 year after the date of*
20 *the enactment of this Act, and annually thereafter through*
21 *fiscal year 2028, the Secretary of State, in consultation*
22 *with the heads of other appropriate Federal agencies, shall*
23 *submit to the appropriate congressional committees a report*
24 *on actions taken pursuant to this section.*

1 (c) *SENSE OF CONGRESS.*—*It is the sense of Congress*
 2 *that before providing any grant under subsection (a)(1), the*
 3 *Secretary of State and the Administrator of the United*
 4 *States Agency for International Development should consult*
 5 *with members of the Nicaraguan diaspora, including Nica-*
 6 *raguan individuals in exile in Costa Rica and the United*
 7 *States.*

8 **SEC. 302. SUPPORT FOR NICARAGUAN HUMAN RIGHTS AT**
 9 **THE UNITED NATIONS.**

10 (a) *SUPPORT TO EXTEND MANDATE OF THE GROUP*
 11 *OF HUMAN RIGHTS EXPERTS ON NICARAGUA.*—*The Presi-*
 12 *dent shall direct the United States Permanent Representa-*
 13 *tive to the United Nations to use the voice, vote, and influ-*
 14 *ence of the United States in the United Nations Human*
 15 *Rights Council and the United Nations General Assembly—*

16 (1) *to seek to extend the mandate of the Group*
 17 *of Human Rights Experts on Nicaragua under*
 18 *Human Rights Council Resolution 49/3 (2022) until*
 19 *a peaceful solution to the current political crisis in*
 20 *Nicaragua is reached, including—*

21 (A) *a commitment to hold elections that*
 22 *meet democratic standards and permit credible*
 23 *international electoral observation;*

24 (B) *the cessation of the violence perpetrated*
 25 *against civilians by the National Police of Nica-*

1 *ragua and by armed groups supported by the*
2 *Government of Nicaragua;*

3 *(C) independent investigations into the*
4 *killings of protesters; and*

5 *(D) the restoration of Nicaraguan citizen-*
6 *ship and restitution of political and civil rights*
7 *for all Nicaraguan nationals unjustly stripped of*
8 *their nationality, including the 222 Nicaraguan*
9 *nationals arbitrarily imprisoned and expelled to*
10 *the United States on February 9, 2023, and the*
11 *94 additional Nicaraguan dissidents stripped of*
12 *their nationality on February 15, 2023;*

13 *(2) to encourage international support to em-*
14 *power the Group of Human Rights Experts on Nica-*
15 *ragua to fulfil its mission to conduct thorough and*
16 *independent investigations into all alleged human*
17 *rights violations and abuses committed in Nicaragua*
18 *since April 2018, including alleged crimes against hu-*
19 *manity; and*

20 *(3) to provide investigative and technical assist-*
21 *ance to the Group of Human Rights Experts on Nica-*
22 *ragua as requested and as permitted under United*
23 *Nations rules and regulations and United States law.*

24 *(b) SUPPORT FOR FURTHER ACTION.—The President*
25 *may direct the United States Permanent Representative to*

1 *the United Nations to use the voice, vote, and influence of*
2 *the United States to urge the United Nations to provide*
3 *greater action with respect to human rights violations in*
4 *Nicaragua by—*

5 (1) *urging the United Nations General Assembly*
6 *to consider a resolution, consistent with prior United*
7 *Nations resolutions, condemning the exile of political*
8 *prisoners and attacks on religious freedom by the Or-*
9 *tega regime; and*

10 (2) *assisting efforts by the relevant United Na-*
11 *tions Special Envoys and Special Rapporteurs to*
12 *promote respect for human rights and encourage nego-*
13 *tiations that lead to free, fair, and democratic elec-*
14 *tions in Nicaragua.*

Calendar No. 371

118TH CONGRESS
2^D SESSION

S. 1881

A BILL

To reauthorize and amend the Nicaraguan Investment Conditionality Act of 2018 and the Reinforcing Nicaragua's Adherence to Conditions for Electoral Reform Act of 2021, and for other purposes.

MAY 7, 2024

Reported with an amendment